

# **FISCAL NOTE**

Nonpartisan Services for Colorado's Legislature

**Drafting Number:** LLS 19-1060 Date: April 17, 2019 Bill Status: House SVMA **Prime Sponsors:** Rep. Hansen; McKean

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ELECTRIC CAR MANUFACTURERS MAY SELL DIRECTLY TO CONSUMERS **Bill Topic:** 

□ TABOR Refund Summary of State Revenue (*minimal*) □ State Expenditure **Fiscal Impact:** □ Local Government □ State Transfer □ Statutory Public Entity

> The bill allows a motor vehicle manufacturer that only manufactures electric vehicles to sell directly to customers. The bill may increase state revenue beginning in

FY 2019-20.

**Appropriation** Summary:

No appropriation is required.

**Fiscal Note** Status:

This fiscal note reflects the introduced bill.

#### **Summary of Legislation**

Under current law, motor vehicle manufacturers may not own, operate, or control a motor vehicle dealer or used motor vehicle dealer. The bill allows an a manufacturer that only manufactures electric vehicles to own, operate, or control a motor vehicle dealer. An electric motor vehicle is defined as a motor vehicle that operates entirely on electric power; does not include a fuel combustion engine; and has a least four wheels in contact with the ground during normal operations.

## Background

Under current law, motor vehicle manufacturers are allowed to own, operate, or control motor vehicle under certain circumstances enumerated in law. In addition, one motor vehicle manufacturer was allowed to operate one motor vehicle dealer location to sell directly to customers.

#### **State Revenue**

To the extent that any electric motor vehicle manufacturers own, operate, or control a motor vehicle dealer location in Colorado, fee revenue will increase. For informational purposes, the current fee for an original motor vehicle dealer is \$581.

Page 2 **HB 19-1325** April 17, 2019

### **Effective Date**

The bill takes effect August 2, 2019, if the General Assembly adjourns on May 3, 2019, as scheduled, and no referendum petition is filed.

## **State and Local Government Contacts**

Revenue